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SUBJECT: RIPE FOR REFORM - INDONESIA'S MINISTRY OF MARINE AFFAIRS
AND FISHERIES

¶1. (SBU) Summary. The Ministry of Marine Affairs and Fisheries is an important target for management reform assistance because it is in charge of programs -- such as the Coral Triangle Initiative and the May 2009 World Oceans Conference -- that are important to the USG. Within the Ministry, some appointments are made on the basis of personal loyalty to the Minister, and mid-level managers do not raise cross-ministry suggestions for improvement. Decentralization of services to the provincial and local levels is not yet effective. A USAID-funded assessment in August will examine how the Ministry operates and recommend specific interventions aimed at reform, which will help make our assistance programs more effective. End Summary.

Organizational Structure of DKP

¶2. (SBU) The Ministry of Marine Affairs and Fisheries (DKP) is a complex organization. It comprises five Directorate Generals, two Agencies, an Inspectorate General, and a Secretary General who oversees the planning, legal, finance, data, and international cooperation bureaus. The Minister also has expert staff that report directly to him.

The Directorate Generals:

- Capture Fisheries
- Aquaculture
- Marine, Coastal and Small Islands
- Fisheries Product Processing and Marketing
- Fisheries Resource Surveillance and Controlling

The Agencies:

- Agency for Marine and Fisheries Research
- Agency for Marine and Fisheries Human Resource Development

Management and Organizational Characteristics

¶3. (SBU) Although the Secretary General is more senior than the Director Generals (DGs) and Agency Chairmen, he has no supervisory authority over them. Direct control is maintained by the Minister, who relies on his expert staff and the Secretary General for information, though he usually does not take their advice unless there is strong support and consensus among the DGs for change. Some DGs are very capable and strong, others have a reputation for being less effective and have been assigned based on personal loyalty to the Minister or for other political reasons.

¶4. (SBU) The Ministry is "stove-piped" and does not work well across the Directorate Generals. There is substantial duplication of effort and numerous inefficiencies. Important cross-cutting initiatives and programs of strong interest to the USG (for example, the Coral Triangle Initiative and Sea Partnership Program) are managed several layers below the Director General. (Note: Until now, the DG for Marine, Coastal and Small Islands has shepherded CTI within the Ministry. End Note). Director Generals appear to be reluctant to offend each other by suggesting partnerships and joint-projects in the realm of other DGs, even where there is a clear need to coordinate.

¶5. (SBU) Cross-DG coordination is a priority for the Secretary General, though he has no direct authority to mandate this. Non-DKP advisors have recommended that important programs be placed under the control of the Secretary General, but unless a consensus develops (including agreement by the Director General who currently manages the program) this is not likely to happen. The Minister frequently reassigns DGs, but newly reassigned managers quickly lose their broader perspective. (Note: If the Secretary General had supervisory authority, and the Ministry created expectations for internal coordination to eliminate duplication of efforts, DKP could achieve significant program implementation improvements. End Note.)

¶6. (SBU) DKP has many dedicated and hard-working staff, but specialized training is lacking. There are numerous policies, regulations, and programs in place, but program implementation is often not effective. For example, decentralization of coastal management, fisheries management, and enforcement means that

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implementation of these programs rely on provincial and local governments in near-shore areas. Building and implementing strong partnerships to ensure that all levels of government are going in the same direction seems to be spotty. (Note: Creating incentives for cooperation between the Ministry and provinces and local governments would also improve implementation. End Note.)

USG Assistance for Reform

¶7. (SBU) USAID is providing funding for a team of consultants to conduct an assessment of DKP (as well as the Ministry of Forestry and the Ministry of Home Affairs) in August-September 2008, with a particular emphasis on their responsibilities pertaining to Ecosystems Based Management of Fisheries as well as Management of Marine Protected Areas System -- key components of the Coral Triangle Initiative. The team's assessment will provide the USG with insights into how the ministries operate and recommend actions and specific interventions aimed at reform. These will make our assistance programs, including to CTI, as effective as possible.

¶8. (SBU) This report is based on the observations and conversations of Embassy's NOAA Science Fellow embedded in DKP, and are consistent with the observations of State and USAID Officers at Post.

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